GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1349
ANSWERED ON:08.03.2002
ARRANGEMENT FOR MOBILE BANKS
RENUKA CHOWDHURY;SUSHIL KUMAR SAMBHAJIRAO SHINDE

Will the Minister of FINANCE be pleased to state:

(a) whether with a view to provide credit and storage facilities to the farmers at their door-step, the Government have been considering to take steps to ensure Rural and Cooperative Banks toarrange mobile banks, who may while giving loans also provide stores for agricultural produce which they may collect from the farmers to keep it as security for the loan funds extended to farmers;

(b) if so, the details thereof; and

(c) the time by which it is likely to be implemented?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL)

(a) to (c) Presumably, the Hon`ble Member is referring to the financing of investment credit for construction of storage/ godowns and for providing short-term credit for marketing of crops against pledge by banks. National Bank for Agriculture and Rural Development (NABARD) provides refinance to the banks for financing of storagerequirements of the farmers and also to enhance their holding capacity to fetch a remunerative price for their produce under a model scheme for construction/ renovation/expansion of rural godowns in the private sector. NABARD also provides refinance under a scheme of extendingshort term refinance support to cooperatives and Regional Rural Banksfor financing cultivators for marketing of crops against pledge of their agricultural produce. Further, as per the prevailing instructions of Reserve Bank of India (RBI), where banks do not find it economical toopen full fledged branches or satellite offices at Rural centers, they can open mobile offices after obtaining necessary licence from the concerned Regional Office of RBI.